Terms of Reference: Consultancy on LNG Export Opportunities and Risks for Mexico

May 2025

Introduction

NRGI supports informed, inclusive decision-making about natural resources and the energy transition. NRGI accompanies resource-rich developing countries to minimize harms and equitably benefit from growing demand for transition critical minerals, build inclusive economies that end dependence on fossil fuel extraction and manage revenues from natural resources in accordance with citizen priorities.

Background

Mexico depends highly on gas imports from a single country, the US, especially in the electricity and industrial sectors. Thus far, the US-Mexico gas trade has generally delivered secure, adequate supplies of gas with affordable prices for Mexican buyers and attractive returns for US suppliers. Partly for this reason, energy sector plans, policies, and public investments in Mexico continue to favor gas as a fuel for the country's energy needs.

However, we believe that Mexican stakeholders must better understand the potential implications of US plans to expand LNG exports, as these developments could influence regional supply dynamics and introduce important challenges and risks for Mexico. NRGI's work seeks to contextualize the role of gas in Mexico, evaluating its impact on energy security, economic development and the transition to a more sustainable energy system. We analyze whether structural dependencies on this resource exist and the key arguments that have reinforced its predominance. Our goal is to initiate a technical and strategic debate on the long-term viability of gas, identifying both risks and opportunities. As part of this effort, we are seeking an expert consultant to deepen our understanding of the risks, costs and opportunities associated with LNG export developments and their potential impact on Mexico.

Scope of work

The consultant will support NRGI in addressing key questions in the following areas:

- Global LNG export market outlook, including major trends, risks, competitive landscape and future demand scenarios.
- Expansion plans for gas production and associated transport and liquefaction infrastructure across the US, with a focus on the LNG boom.
- Feasibility assessment of developing LNG liquefaction and export terminals on Mexico's Pacific and Gulf coasts, considering gas supply availability, infrastructure requirements, and potential bottlenecks across the supply chain.
- Evaluation of opportunities and risks associated with LNG re-exports from Mexico, considering international market dynamics, domestic gas supply needs in the US and Mexico, and the degree of competition between exports and local consumption.
- Analysis of legal, commercial, and regulatory barriers in both the US and Mexico, including existing contracts, licensing, permitting processes, and the feasibility of reallocating gas flows from domestic markets to exports.
- Assessment of potential benefits, as well as the risks of failed, delayed, or economically unviable LNG export projects.
- Recommendations on short-, medium-, and long-term strategies for the Mexican government, including measures to mitigate supply chain risks and manage domestic energy needs.

At the start of the assignment, NRGI will provide the consultant with a master question list. The consultant will answer the questions by drawing on their existing knowledge as experts, and by carrying out as-needed desk research, interviews and consultations with industry players and other experts.

The consultant will answer the questions both in writing and in conversation with NRGI staff. Specifically, this will entail:

- A first round of written responses to all questions in the master question list by mid-June. All responses must be properly supported by recent data and references.
- A virtual meeting with NRGI staff to discuss and clarify answers.
- One further round of written responses to supplemental questions posed by NRGI staff, with a follow-up virtual meeting by mid-July.

- Providing NRGI with copies of third-party documents and information (e.g., reports and articles, case studies, data) as requested, appropriate, and necessary to support the consultant's answers.
- Any other communications NRGI and the consultant agree are needed to complete the work.

Please also note that the consultant is not responsible for producing a final written report for this assignment. The final written responses to questions, together with any supplemental documents, data, etc. will constitute the full deliverables for the assignment.

Expected time commitment

The work will be carried out on a flexible basis, based on NRGI and the consultant's schedules. We expect the assignment will be part-time for over 1-2 months.

Qualifications

- At least 7 years of experience as an analyst, consultant, researcher or similar position in an institutional, corporate, or academic setting focused on the energy sector; 10+ years preferred.
- In-depth knowledge of the all the topics listed above under "Scope of work."
- Current, detailed knowledge of the energy industry, gas markets, in addition to regulatory, policy, and commercial factors that shape cross-border energy projects, particularly between the US and Mexico.
- Experience communicating with a variety of audiences on US-Mexico gas issues.
- Willingness and availability to respond flexibly to the questions posed in the assignment.
- Full ability to conduct research and communicate (orally and in writing) in both English and Spanish.

To apply

- Please send a copy of your CV along with a financial proposal to procurement@resourcegovernance.org with tcontreras@resourcegovernance.org in cc no later than **May 19, 2025.**

Disclaimer: *This is not an employment opportunity and employment-related benefits do not apply to this consultancy.*